

1 UNITED STATES BANKRUPTCY COURT  
2 CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES

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4 In Re: ) Case No. 2:21-bk-18205-DS  
5 CRESTLLOYD, LLC, ) Chapter 11  
6 ) Los Angeles, California  
7 Debtor, ) Thursday, 11:30 A.M.  
8 ) December 2, 2021  
9 -----X

10 STATUS HEARING RE:  
11 [1] CHAPTER 11 VOLUNTARY  
12 PETITION NON-INDIVIDUAL

13  
14 TRANSCRIPT OF ZOOM PROCEEDINGS  
15 BEFORE THE HONORABLE DEBORAH SALTZMAN  
16 UNITED STATES BANKRUPTCY JUDGE

17  
18 APPEARANCES:

19 For the Debtor: DAVID B. GOLUBCHIK, ESQ.  
20 Levene Neale Bender Yoo &  
21 Golubchik, LLP  
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24 For Hankey Capital: THOMAS M. GEHER, ESQ.  
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1 LOS ANGELES, CALIFORNIA, THURSDAY, DECEMBER 2, 2021

2 11:36 A.M.

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4 THE CLERK: Please come to order. This court is  
5 now in session, the Honorable Deborah J. Saltzman  
6 presiding.

7 THE COURT: Thank you. Good morning. It is  
8 December 2, 2021. This is the Bankruptcy Court for the  
9 Central District of California, Los Angeles Division. We  
10 are all appearing on Zoom this morning. Thank you,  
11 everyone, for following the instructions on the Court's  
12 calendar and website and for assisting my law clerk in  
13 recording your appearances this morning.

14 We only have one matter on calendar, so we'll  
15 just right to it --

16 COMPUTER VOICE: You are muted. You can mute or  
17 unmute yourself by pressing \*6.

18 THE COURT: -- (indiscernible) law clerk  
19 (indiscernible). When I call your name just state your  
20 full name for the record and who you represent. When I get  
21 to the end of that list if there is anyone else who is  
22 intending to speak on our matter today, just please let me  
23 know your full name and who you represent.

24 Mr. Golubchik, good morning.

25 MR. GOLUBCHIK: Good morning, Your Honor. David

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1 Golubchik, Levene Neale Bender Yoo & Golubchik, on behalf  
2 of the debtor. And Lawrence Perkins with SCP, which is the  
3 manager of the debtor, is on audio, I believe, or he's with  
4 us somehow.

5 THE COURT: Okay. Good morning.

6 Mr. Geher, good morning.

7 MR. GEHER: Good morning, Your Honor. Thomas M.  
8 Geher, Jeffers Mangels Butler and Mitchell, for secured  
9 creditor Hankey Capital, LLC.

10 THE COURT: Ms. Wellington, good morning.

11 MS. WELLINGTON: Good morning, Your Honor.  
12 Jessica Wellington of Brutkus Gubner appearing on behalf of  
13 Theodore Lane, the court-appointed receiver. We're just  
14 here for observational purposes.

15 THE COURT: Okay. Mr. Robillard, good morning.

16 MR. ROBILLARD: Good morning, (indiscernible).  
17 I'm the (indiscernible) counsel for Inferno Investment  
18 Corporation, secured creditor.

19 THE COURT: And Ms. Madoyan, good morning.

20 MS. MADOYAN: Good morning, Your Honor. Noreen  
21 Madoyan on behalf of the U.S. Trustee.

22 THE COURT: Is anyone else intending to speak to  
23 anything this morning?

24 (No response.)

25 Okay. Mr. Golubchik, thank you for the status

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1 report. What would you like to fill us in on today?

2 MR. GOLUBCHIK: So we have a few updates, Your  
3 Honor, in addition to the status report. As the Court  
4 knows, we submitted a stipulation with Mr. Lane, who's the  
5 receiver, and Hankey and Mr. Lane has been very helpful in  
6 the transition. That stipulation terminated on the 30th.  
7 Assets are being transferred or have been transferred to  
8 the debtor under Mr. Perkins' control, so going forward it  
9 will be purely a debtor-in-possession situation.

10 We have been speaking with numerous brokers and  
11 we have lined up a group update on the status report of two  
12 boots on the ground, broker on one, International Auction  
13 House. The plan at this time is to prepare the property  
14 slightly and have an auction in the beginning of February  
15 of 2022, with a hopeful closing by the end of February '22.  
16 So it's going to be a relatively quick case.

17 There are expenses maintaining the property,  
18 insurance, things like that. We have received numerous  
19 proposals. We anticipate probably by middle of next week  
20 filing a motion for DIP financing on a priming basis. And  
21 otherwise, I think right now everything is proceeding  
22 smoothly to where we need to go. At the same time we're  
23 keeping other parties in interest informed of the  
24 development, so there's no hide-the-ball situation here.

25 THE COURT: Okay. It looks like in terms of

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1 deadline the only thing you were looking to set today would  
2 be a bar date, is that right?

3 MR. GOLUBCHIK: Correct.

4 THE COURT: Okay. When can you get the notice  
5 out?

6 MR. GOLUBCHIK: We can get the notice -- today is  
7 Thursday. We can get the notice out this week.

8 THE COURT: Okay.

9 MR. GOLUBCHIK: By tomorrow.

10 THE COURT: Okay. So you've asked for  
11 January 14th.

12 MR. GOLUBCHIK: Correct.

13 THE COURT: Okay. Okay. Let me turn to some of  
14 the others who are here.

15 Ms. Madoyan, from your perspective, any issues?

16 MS. MADOYAN: The only issue, Your Honor, and  
17 I've discussed this with Mr. Golubchik, as well as  
18 Mr. Perkins. With the insurance, the insurance documents  
19 provided to our office are insufficient. They don't  
20 provide sufficient coverage for the property. I have been  
21 informed by both Mr. Golubchik and Mr. Perkins that they  
22 are in the process of obtaining significantly more coverage  
23 and insurance for this type of property is -- you know, I  
24 think it was in the words of Mr. Golubchik, not just  
25 calling State Farm and asking for a policy. So we are

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1 cognizant of that, but I want to put on the record the  
2 insurance is insufficient. We are giving the debtor a  
3 little bit of breathing room to obtain that, but we would  
4 like to see that secured by the middle of December. That's  
5 the only issue that I'd like to raise at this time.

6 THE COURT: Okay. Do you think it would make  
7 sense then to keep a status conference on calendar to make  
8 sure that the debtor is in compliance?

9 MS. MADOYAN: I would like to set another status  
10 conference, perhaps mid-January, if possible, so that we  
11 can also get a status update on the scale to the extent  
12 that it is not moving -- to the extent that it is moving in  
13 February.

14 THE COURT: Okay. Okay. Thank you.  
15 Anyone else?

16 MR. GOLUBCHIK: Your Honor, may I clarify  
17 something very important?

18 THE COURT: Sure, go ahead.

19 MR. GOLUBCHIK: I'd like to give credit where  
20 credit is due. As Mr. Perkins has said, it's not a simple  
21 colloquy (indiscernible). But yes, this -- as you can  
22 tell, this is an unusual property. We have been working a  
23 long time to procure it. Insurance is substantially higher  
24 amount and we believe mid-December we should have -- we  
25 should have it already.

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1 THE COURT: Okay. If I did have another status  
2 conference I wouldn't ask for a status report, you know, in  
3 the nature of what you just filed, but I think it might be  
4 a good idea to check in in January.

5 MR. GOLUBCHIK: That's fine.

6 THE COURT: Okay. Anyone else with any issues?

7 (No response.)

8 Okay. Well, let's do this. It will be a short  
9 scheduling order, I guess, Mr. Golubchik with a bar date as  
10 requested on January 14th. The notice should go out by  
11 tomorrow, December 3rd, and a continued status conference.  
12 Let's see what dates we have. I have January 6th and I  
13 have the 13th. And --

14 MR. GOLUBCHIK: Your Honor, we're going to have a  
15 final hearing on the utility motion on the 13th --

16 THE COURT: Oh.

17 MR. GOLUBCHIK: -- at 11:30.

18 THE COURT: Okay.

19 MR. GOLUBCHIK: -- (indiscernible) do that.

20 THE COURT: Perfect, perfect. So it will be a  
21 continued status conference January 13th and -- oh, and my  
22 only other question is once you're ready to file motions  
23 regarding any sales, sale procedures, if you would just  
24 call chambers for a hearing date because it may be  
25 something that we'll want to put on its own time as opposed

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1 to --

2 MR. GOLUBCHIK: Yes.

3 THE COURT: -- on a bigger calendar.

4 MR. GOLUBCHIK: We will do that.

5 THE COURT: Okay.

6 MR. GOLUBCHIK: Thank you.

7 THE COURT: Okay. Great. Anything else for  
8 today?

9 MR. GOLUBCHIK: Not for us.

10 THE COURT: Okay.

11 MR. GOLUBCHIK: Oh, Your Honor, Mr. Perkins is on  
12 mute. Unless he comes off mute in the next few seconds, we  
13 have nothing.

14 THE COURT: Okay. All right.

15 MR. GOLUBCHIK: Okay. We're good.

16 THE COURT: Well, thank you very much, everyone.  
17 We will see you next in January.

18 MR. GOLUBCHIK: Thank you very much.

19 THE COURT: All right. Thank you all.

20 ATTORNEYS: Thank you, Your Honor.

21 THE COURT: Have a good day.

22 (At 11:44 a.m.)

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I certify that the foregoing is a correct  
transcript from the electronic sound recording of the  
proceedings in the above-entitled matter.

*Ruth Ann Hager*

Date: 3/27/2022

RUTH ANN HAGER, C.E.T.\*\*D-641